

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2167-01
Bill No.: HB 912
Subject: Licenses - Motor Vehicle; Motor Vehicles; Property, Real and Personal; Revenue
Dept.; Boats and Watercraft
Type: Original
Date: April 9, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 5 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Revenue** assume this proposal will provide a mechanism for the owner or purchaser of real estate on which there were abandoned vehicles to get title for such vehicles without the need of a court order. This legislation will have minimal impact on the Division of Motor Vehicle and Drivers Licensing and can be implemented with existing resources.

Officials from the **Department of Transportation** and the **Office of State Courts Administrator** assume no fiscal impact to their agencies.

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal would provide a mechanism for the owner or purchaser of real estate on which there were abandoned vehicles to get title for such vehicles without the need of a court order. Any person who purchases or is the owner of real property on which vehicles or water craft or outboard motors, as those terms are used in state law, have been abandoned may apply to the Department of Revenue for a certificate of title.

Prior to making application for a certificate of title the owner of the real estate shall have the vehicle inspected by law enforcement and shall have law enforcement perform a check in the national crime information center and any appropriate statewide law enforcement computer to determine if the vehicle has been reported stolen, the name and address of the person to whom the vehicle was last titled, and any lienholders of record. The owner or purchaser of the real estate shall, thirty days prior to making application for title, notify any owners or lienholders of record for the vehicle by certified mail that the owner intends to apply for a certificate of title from the Department of Revenue for the abandoned vehicle.

DESCRIPTION - continued

The application for title shall be accompanied by:

- (1) A statement explaining the circumstances by which the abandoned property came into the owner or purchaser's possession; a description of the abandoned property including the year, make, model, vehicle identification number and any decal or license plate that may be affixed to the vehicle; the current location of the abandoned property; and the retail value of the abandoned property.
- (2) An inspection report of the abandoned property by a law enforcement agency pursuant to state law.
- (3) A copy of the thirty-day notice and certified mail receipt mailed to any owner and any person holding a valid security interest of record.

Upon receipt of the application and supporting documents, the Department of Revenue shall search its records or initiate an inquiry with another state, if the evidence presented indicated the abandoned property was registered or titled in another state, to verify the name and address of any owners and any lienholders. If the latest owner or lienholder was not notified the director shall inform the owner or purchaser of the real estate of the latest owner and lienholder information so that notice may be given as required. Any owner or lienholder receiving notification may protest the issuance of title within the thirty-day notice period, and may file a petition to recover the vehicle, naming the owner of the real estate and serving a copy of the petition on the director of revenue. The director shall not be a party to such petition but shall, upon receipt of the petition, suspend the processing of any further certificate of title until the rights of all parties to the vehicle are determined by a court.

Once all requirements are satisfied the Department of Revenue shall issue one of the following:

- (1) An original certificate of title if the vehicle examination certificate indicates that the vehicle was not previously in a salvaged condition or rebuilt.
- (2) An original certificate of title designated as prior salvage if the vehicle examination certificate indicates the vehicle was previously in a salvaged condition or rebuilt.
- (3) A salvage certificate of title designated with the words "salvage/abandoned property" or junking certificate based on the condition of the abandoned property as stated in the inspection report.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Revenue
Department of Transportation
Office of State Courts Administrator

NOT RESPONDING

Office of the Attorney General
Missouri Highway Patrol

A handwritten signature in black ink, appearing to read "Jeanne Jarrett". The signature is stylized with a large initial "J" and a cursive script.

Jeanne Jarrett, CPA
Director
April 9, 2001